



PA Governor Rendell Signs Measure Mandating Clean-Energy Portfolio Standard

Dec 07 - PRNewswire Pennsylvania Governor Edward G. Rendell today signed into law a clean-energy portfolio standard that will cut energy costs, promote economic development and encourage technologies to protect and restore the environment by ensuring more electricity generation comes from environmentally beneficial resources. Part of that effort includes \$10 million in new investments that the Governor authorized for clean power plants, enhancing Pennsylvania's reputation as a national energy leader.

"Cleaner, more advanced energy has its own rewards, in terms of both the environmental benefits it brings and the economic opportunities it promises," Governor Rendell said during a bill signing at the Champion Refuse Pile on 500 acres in Robinson Township, Washington County - the biggest coal refuse pile east of the Mississippi River. "By ensuring a diverse supply of clean and advanced energy, Pennsylvania is leading the way to address today's energy challenges and meet tomorrow's energy demands - all while taking tremendous strides to make our environment healthier and cleaner."

The Governor signed into law a two-tiered portfolio standard that ensures that in 15 years, 18 percent of all of the energy generated in Pennsylvania comes from clean, efficient sources. Act 213 of 2004 makes the Commonwealth the 18th state to adopt a renewable and advanced energy production provision.

Tier I requires 8 percent of electricity sold at retail in the state to come from traditional renewable sources such as solar photovoltaic energy, wind power, low-impact hydropower, geothermal energy, biologically derived methane gas, fuel cells, biomass energy or coal-mine methane. At least 0.5 percent of the Tier I electricity must come from solar photovoltaic cells. Tier II requires 10 percent of the electricity to be generated from waste coal, distributed generation systems, demand-side management, large-scale hydropower, municipal solid waste, generation from pulping and wood manufacturing byproducts, and integrated combined coal gasification technology.

"The bill's renewable-energy provisions will ensure that Pennsylvania is on the cutting edge of new energy technologies, making us more attractive to advanced energy companies seeking to take advantage of our location among other proliferation of portfolio standards," said Governor Rendell, who unveiled a portfolio standard in his Feb. 3 budget address. "Likewise, the responsible use of resources such as waste coal will help to clean up mine-scarred landscapes while improving the quality of our streams and rivers by eliminating a source of acid mine drainage - one of the most pressing environmental problems in our Commonwealth."

The Champion Refuse Pile, which contains in excess of 37.5 million tons of waste coal, is part of the Robinson Power Co. LLC's Beech Hollow Power Project, a 300-megawatt

waste coal electric generation project being developed in Robinson Township, Washington County. Over the 25-year life span of the project, the plant will generate \$2.1 billion of revenue in power sales and provide \$150 million in direct compensation to Pennsylvania employees. Environmentally, the project will recycle the discarded energy in the waste coal pile while helping to reclaim the Robinson Township site and others for economic development.

A recently published study by the global engineering firm Black and Veatch Corp. found significant economic benefits over and above pursuing business as usual with only traditional fuel sources. The benefits include \$10 billion in increased output for Pennsylvania, \$3 billion in additional earnings and between 3,500 and 4,000 new jobs for residents over the next 20 years. The study also indicates that for every 1 percent decrease in natural gas demand there would be a corresponding \$140 million in savings to natural gas and electricity consumers.

The environmental benefits are significant, too. The clean energy portfolio standard as proposed would annually avoid 9,044,615 tons of carbon dioxide, 78,462 tons of sulfur dioxide and 21,398 tons of nitrogen oxides. Pennsylvania surface water and rural communities will enjoy additional benefits from the continued remediation of waste coal deposits around the state, thus eliminating detrimental acid discharges to our waterways and restoring the land they occupied.

Governor Rendell already has mobilized appreciable new funds that can be put to work for energy in Pennsylvania. In all, hundreds of millions in new energy investment opportunities are available in the Commonwealth to help build a clean, indigenous, diversified energy industry in the state. This vision is creating excitement about Pennsylvania as an innovative, cutting- edge place to do business.

To build on this effort, Governor Rendell also signed Act 178 of 2004, which provides \$10 million to the recently revitalized Pennsylvania Energy Development Authority to finance projects that develop, promote and more efficiently use alternative energy resources indigenous to the state. With resources administered by the Department of Community and Economic Development, the state has up to \$900 million to offer in tax-free bond financing for projects built in the Commonwealth.

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